

Clean Coal Technology

Funding Profile by Subprogram

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Comparable Appropriation	FY 2005 Base	FY 2005 Request	FY 2005 Request vs Base	
					\$ Change	% Change
Clean Coal Technology						
Cooperative						
Agreements.....	-47,000	-98,000	-98,000	-140,000	-42,000	-42.8%
Program Direction.....	0	0	0	0	0	0.0%
Total, Clean Coal						
Technology	-47,000	-98,000	-98,000	-140,000	-42,000	-42.8%

Mission

The Clean Coal Technology program is a government and industry co-funded effort to provide technical and operational data of innovative coal technologies demonstrated at commercial scale. Beginning in 1985, the Department administered five competitive solicitations selecting projects with the potential to satisfy the requirements of the energy markets while improving the environmental performance of coal-based technologies. To date, more than thirty projects have been successfully completed, providing the marketplace with valuable performance data for a variety of applications.

For FY 2003, an appropriation of \$40 million was made available while the availability of \$87 million was deferred to FY 2004. For FY 2004, an appropriation of \$87 million was made available, \$88 million was rescinded, and the availability of \$97 million was deferred to FY 2005. For FY 2005, the Department proposes to rescind \$237 million of unneeded balances that resulted from withdrawn projects. The net appropriation is -\$140 million after accounting for the advance appropriation of \$97 million of previously deferred funds.

Benefits

The importance of demonstrating technologies that improve the performance and extend the service of the Nation's reliable coal-based generating capacity is vital for supporting today's economy. The CCT Program is establishing the engineering and scientific foundation for the next generation of clean coal technologies that will be capable of near zero emissions and generation efficiencies twice that of the existing coal fleet.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Clean Coal Technology	-47,000	-98,000	-140,000
■ Cooperative Agreements For FY 2005, the Department proposes to rescind \$237 million of unneeded balances that resulted from withdrawn projects. Continue construction for the Kentucky Pioneer gasification project and complete operation of the fuel cell portion of the project at the Wabash River site. Complete testing and reporting for the Clean Coal Diesel project and JEA Circulating Fluid Bed Combustor project. <i>Participants include: JEA, Kentucky Pioneer Energy, Ltd. with Fuel Cell Energy and Global Energy, and TIAX.</i> For FY 2004, an appropriation of \$87 million was made available, \$88 million was rescinded, and the availability of \$97 million was deferred to FY 2005. Initiate construction for the Kentucky Pioneer gasification project and initiate operation of the fuel cell portion of the project at the Wabash River site. Continue demonstration phase for the JEA Circulating Fluid Bed Combustor project. Initiate 2-cylinder engine testing using coal slurry for the Clean Coal Diesel project. Complete final reports for the Advanced Coal Conversion project. <i>Participants include: JEA, Kentucky Pioneer Energy, Ltd. with Fuel Cell Energy and Global Energy, Western Syncoal LLC, and TIAX.</i> For FY 2003, an advance appropriation of \$40 million was made available while the availability of \$87 million was deferred until FY 2004. Continued permitting efforts for the Kentucky Pioneer gasification project and fabrication of the fuel cell portion of the project. Continued test operations on the JEA Circulating Fluid Bed Combustor project. Restructured Clean Coal Diesel project to perform 2-cylinder testing using coal water slurry. Completed final reports for the LPMEOH TM coal-methanol project and the Tampa Electric gasification project. Continued final report preparation for the Advanced Coal Conversion project. Ending of the McIntosh Circulating Fluidized-Bed projects and the Clean Power from Integrated Coal/Ore Reduction (CPICOR) project by mutual agreement with the participants. <i>Participants included: JEA, Kentucky Pioneer Energy, Ltd. with Fuel Cell Energy and Global Energy, CPICOR Management Company, LLC, Tampa Electric Company, City of Lakeland, Western Syncoal LLC, Air Products Liquid Phase Conversion Company, L.P., and TIAX.</i>	-47,000	-98,000	-140,000
■ Program Support	0	0	0
In FY 2005 and FY 2004, activities will continue under the Fossil Energy R&D Program Direction account.			
Total, Clean Coal Technology	-47,000	-98,000	-140,000

Explanation of Funding Changes

Funding proposed for FY 2005 represents the return of previously deferred funds and rescission of \$237 million of unneeded balances that resulted from withdrawn projects. Advance appropriations are sufficient to satisfy all commitments for ongoing projects.